TELECOMMUNICATIONS MARKET SNAPSHOT: FRANCE

Key Statistics

Population	62,814,233 (July 2011 est.)
GDP	$2.16 trillion (2010 est.)
Per capita GDP	$33,300 (2010 est.)
Main lines	35.5 million (2009 est.)
Teledensity	56% (2008)
Mobile subscribers	61.519 million (Sept. 2010)
Mobile penetration	94.3% (2010)
Internet users	42.3 million (2008)
Internet penetration	68% (2008)
Broadband subscribers	20.370 million (June 2010)
Spending on telecom equipment and services	$58.95 billion (2010)
U.S. equipment exports to market	$287.84 million (2010)

Sources: CIA World Factbook, Worldwide Black Book, USITC, BMI and WB

Market Overview

Due to a largely urbanized population, a relatively high per capita GDP and the extensive reach of main lines throughout the country, France provides many opportunities for the telecom industry. In the broadband market, most fixed-line connections are DSL, however fibre-optic cable is being considered as an alternate technology. WiMAX only makes up a small part of the market, but licenses have been awarded and may provide opportunities for growth. France Télécom is the dominant player with 9.016 million broadband subscribers in 2010, followed by SFR, which acquired broadband and fixed-line operator Neuf Cegetel, with 4.773 million subscribers, Iliad, which acquired Alice France in 2008, mobile operator Bouygues, Completel, which acquired Altitude Telecom in 2010, and cable operator Numéricâble. Traditional fixed-lines are beginning to fall as more subscribers turn to IP-only connections, but operators are attempting to stem the decline through broadband “boxes” offering triple- or quadruple-play services including broadband, television, fixed-line and mobile phone services.

In the mobile market, Orange (France Télécom’s mobile brand), SFR and Bouygues Telecom recently signed a framework agreement which will allow them to share 3G mobile network deployments, thus facilitating the expansion of 3G services in France enabling full nationwide coverage by the end of 2013. In 2010, the top players included Orange with 42.69% of the market, SFR with 33.84%, Bouygues with 17.43% and Mobile Virtual Network Operators (MVNOs) with 6.04%. Some of the newest MVNOs to enter the French market are Ortel Mobile, Simyo and Lebara Mobile. Others include Virgin Mobile, Carphone Warehouse, Debitel, Ten, Neuf Cegetel, Mobisud, Afone, Auchan Télécom, Bazile Telecom, NRJ Mobile, Numéricable, Omer Telecom, Prixtel, SIM +, Sisteer, Transatel, Zero forfait and Carrefour. A new operator owned by Iliad, Free Mobile, announced that it would begin offering services in 2012. 3G growth has been led by Orange and SFR, with both buying the last available 3G licenses. Looking ahead, ARCEP, the French telecoms regulator, plans to auction frequencies for the deployment of 4G technology in 2011. Bouygues and SFR have both entered deals with Alcatel-Lucent to provide them with LTE platforms in preparation for this development.

Telecom Trade Agreements

WTO

As a member of the EU, France has made commitments covering both basic and value-added telecom services in the World Trade Organization (WTO). For a list of the country's commitments, go to http://www.wto.org/english/tratop_e/serv_e/telecom_e/telecom_commit_exempt_list_e.htm. France is also a signatory to the WTO Information Technology Agreement, which completely eliminates duties on a variety of info-communications technology products by January 2000.

Leading Service Providers

Bouygues Télécom
http://www.bouyguestelecom.fr/

Iliad
www.iliad.fr/

Orange
http://www.orange.com/

SFR
www.sfr.fr/

Contacts

Regulatory

Autorité de Régulation des Communications Électroniques et des Postes (ARCEP)
www.arcep.fr/

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